

## Message Text

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ACTION EA-09

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E.O. 11652: NA  
TAGS: ELAB, HK  
SUBJECT: CHANGES IN HONG KONG LABOR LEGISLATION

1. SUMMARY: THE HONG KONG LEGISLATION COUNCIL (LEGCO) HAS RECENTLY PASSED SEVERAL PIECES OF LABOR LEGISLATION AND IS CONSIDERING OTHER CONCERNING WORKING CONDITIONS IN INDUSTRIAL PLANTS. THESE BILLS WOULD IMPROVE MINIMUM WORKING CONDITIONS. HOWEVER, FEARS OF INCREASED COSTS AND GOVERNMENT INTERVENTION HAVE CAUSED MANY LOCAL BUSINESS ORGANIZATIONS TO OPPOSE THE CHANGES. END SUMMARY.

2. EXISTING LEGISLATION: THE FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE, SETS MINIMUM STANDARDS FOR WORK HOURS AND CONDITIONS. THE BASIC WORK WEEK FOR WOMEN AND YOUNG PEOPLE AGED 16 AND 17 IS LIMITED TO EIGHT HOURS A DAY, FORTY-EIGHT HOURS A WEEK. THE MAXIMUM OVERTIME ALLOWED IS 200 HOURS ANNUALLY. YOUNG PEOPLE AGED 14 AND 15 MAY WORK EIGHT HOURS A DAY WITH ONE HOUR BREAK AFTER FIVE HOURS OF CONTINUOUS WORK. THEY ARE NOT PERMITTED TO WORK OVERTIME. CHILDREN UNDER THE AGE OF 14 ARE NOT PERMITTED TO WORK IN FACTORIES, AND THE HKG PROHIBITS (WITH RARE EXCEPTIONS) WOMEN AND CHILDREN FROM WORKING AT NIGHTS OR UNDERGROUND. THERE ARE NO LEGAL  
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RESTRICTIONS ON HOURS OR WORK FOR MEN. LAST YEAR, THERE WERE 4,100 PROSECUTIONS AGAINST EMPLOYERS FOR VIOLATION OF THE ORDINANCE AGAINST WOMEN AND YOUNG PEOPLE.

3. RECENTLY ENACTED LEGISLATION: LEGCO YESTERDAY ADOPTED A MOTION AMENDING CURRENT LEGISLATION TO PROHIBIT

YOUNG PEOPLE(AGED 16-17) FROM WORKING OVERTIME, IE, MORE THAN 48 HOURS A WEEK. THIS PROHIBITION WILL BE IMPLEMENTED GRADUALLY, AND WILL TAKE EFFECT COMPLETELY IN THREE YEARS. YOUNG PEOPLE (AGED 14-17) CURRENTLY COMPRISE 11.46 PERCENT OF THE INDUSTRIAL LABOR FORCE. AT PRESENT, THE AVERAGE INDUSTRIAL WORKER WORKS 34 HOURS OVERTIME ANNUALLY.

4. THIS HAS BEEN A CONTROVERSIAL PIECE OF LEGISLATION WITH PROPONENTS ARGUING THAT THE REGULATIONS ARE SOCIALLY DESIRABLE, AND NECESSARY TO PROTECT THE HEALTH OF YOUNG WORKERS. THE OPPONENTS MAINTAIN THAT YOUNG WORKERS MUST HAVE FREEDOM OF CHOICE REGARDING WORK, OVERTIME, STUDIES, AND RECREATION. THERE WERE SEVERAL REFERENCES IN THE DEBATE TO WORKING CONDITIONS IN SINGAPORE, ALTHOUGH THE GOVERNMENT DOCUMENT SUPPORTING THE LEGISLATION STATED THAT THERE WAS "NO AVAILABLE INFORMATION" REGARDING MAXIMUM OVERTIME PERMITTED FOR CHILDREN (AGED 12-13) AND YOUNG PEOPLE (AGED 14-15) IN SINGAPORE. REFERENCE WERE ALSO MADE DURING THE DEBATE TO THE ILO CONVENTIONS, WITH GOVERNMENTS SUPPORTERS STATING THAT HONG KONG HAS RATIFIED 33 ILO CONVENTIONS, AND THAT ONLY 50 OF THE 130 ILO MEMBERS HAVE RATIFIED MORE. THE ARGUMENTS CONCERNING THE ILO CONVENTIONS WAS A REACTION TO A RECENT TELEVISION PROGRAM, BROADCAST IN THE U.K, COMMENTING ADVERSALLY ON WORKING CONDITIONS IN HONG KONG, AS WELL AS SUBSEQUENT MOTIONS INTRODUCED IN PARLIAMENTS BY VARIOUS MEMBERS OF THE LABOR PARTY.

5. LEGCO ALSO PASSED (SECOND READING) A BILL THAT WOULD INCREASE MINIMUM STANDARDS FOR MAXIMUM ACCUMULATION OF SICK LEAVE FROM 24 DAYS AFTER TWO YEARS TO 36 DAYS AFTER THREE YEARS. IT WOULD ALSO INCREASE MINIMUM SICK ALLOWANCE FROM ONE-HALF LIMITED OFFICIAL USE

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NORMAL PAU TO TWO-THIRDS NORMAL PAY, AND ALLOW A WORKER TO TAKE SICK LEAVE AFTER ONE MONTH OF SERVICE, INSTEAD OF THE CURRENT THREE MONTHS. THIRD AND FINAL READING OF THE BILL IS EXPECTED AT THE NEXT MEETING OF THE LEGCO IN JANUARY 1977.

6. EARLIER THIS YEAR, LEGCO INCREASED THE MINIMUM NUMBER OF DAYS OFF AN EMPLOYER MUST GIVE HIS MALE EMPLOYEES FROM 4 MONTHLY (48 PER YEAR) TO NINE WEEKLY (52 PER YEAR). THIS DAY OFF IS NORMALLY GIVEN ON SUNDAY.

7. LEGISLATION UNDER CONSIDERATION: LEGCO IS EXPECTED TO CONSIDER SHORTLY THREE OTHER PROPOSALS CONCERNING WORKING CONDITIONS. THE FIRST, REQUIRING EMPLOYERS TO GIVE THEIR EMPLOYEES SEVEN CONSECUTIVE DAYS LEAVE EACH YEAR, IS RUNNING INTO STRENUOUS OPPOSITION FROM THE BUSINESS COMMUNITY. CURRENT PRACTICES IS TO GIVE EMPLOYEES AN EXTRA WEEK'S PAY IN LIEU OF VACATION. LOCAL OBSERVERS BELIEVE THAT THE GOVERNMENT WILL COMPROMISE ON THE CONSECUTIVE DAYS FEATURE OF THE MOTION,

AND MERELY REQUIRE THAT EMPLOYEES BE GIVEN SEVEN DAYS HOLIDAY DURING THE YEAR.

8. ANOTHER PROPOSAL WHICH HAS BEEN DISCUSSED FOR SEVERAL MONTHS WOULD INCREASE THE MINIMUM NUMBER OF HOLIDAYS THAT EMPLOYERS MUST GIVE ANNUALLY FROM SIX TO TEN.

9. A THIRD PROPOSAL UNDER CONSIDERATION WOULD REQUIRE EMPLOYERS LAYING OFF WORKERS TO MAKE A SEVERENCE PAYMENT OF TWO AND ONE-HALF WEEKS PAY FOR YEACH YEAR OF SERVICE AFTER 1966. THIS PAYMENT WOULD HAVE TO BE MADE ONLY IF THE EMPLOYEE IS BEING LAID OFF FOR REDUNDANCY, I.E. IF THE JOB IS BEING ELIMINATED. IF WOULD BOT APPLY IF THE EMPLOYEE IS BEING RETIRED, FIRED FOR CAUSE OR INCOMPETENCE, OR LET GO FOR TOEHR REASONS.

10. LEGCO IS ALSO EXPECTED TO CONSIDER CHANGES IN MINIMUM SAFTEY STANDARS IN INDUSTRIAL PLANTS NEXT YEAR.  
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